

COMMISSION DIRECTIVE

ADMINISTRATIVE MATTERS	<input type="checkbox"/>	DATE	<u>June 27, 2007</u>
MOTOR CARRIER MATTERS	<input type="checkbox"/>	DOCKET NO.	<u>2006-328-C</u>
UTILITIES MATTERS	<input checked="" type="checkbox"/>		

SUBJECT:

DOCKET NO. 2006-328-C - Petition of the Office of Regulatory Staff to Require ConnectNow! Telecomm, LLC to Issue Refunds -Discuss this matter with the Commission.

COMMISSION ACTION:

The Office of Regulatory Staff initiated this docket seeking an Order from the Commission requiring ConnectNow! to provide refunds of charges it collected for telephone services which were never provided. ConnectNow! failed to file any responsive pleading and was held in default. ConnectNow! marketed prepaid local exchange telephone service through the use of independent agents who acted as resellers. BellSouth, the underlying service provider, terminated service to ConnectNow! on October 10, 2006, but ConnectNow! apparently continued to debit its agents' bank accounts for service which it did not provide. On March 29, 2007, the Commission held a hearing in which we heard testimony from two ConnectNow! agents, Bonnie Tharpe and Perry Mancill. Ms. Tharpe testified that her bank account was debited \$1,600 for services which ConnectNow! never provided. Similarly, Mr. Mancill's account was wrongfully debited in the amount of \$4,389. Mr. James M. McDaniel of the ORS testified that Ms. Tharpe and Mr. Mancill are only two of many similarly situated persons all over South Carolina. Mr. McDaniel recommended that we hold open the docket for a period of time sufficient to provide notice to such persons so they might have opportunity to come forward and seek relief. ORS further requests that the Commission establish a rulemaking proceeding to determine whether it would be in the public interest to require prepaid local telecommunications providers to post a surety bond or other security to protect consumers of their services in the event of termination of service.

I move that the Commission order ConnectNow! Telecom, LLC to refund to Ms. Tharpe \$1,600 and to Mr. Mancill \$4,389, plus interest at the maximum rate established by law, and that notice of our action be published to any and all other persons known to have been similarly situated to allow them the opportunity to come forward and seek relief.

I also move that we establish a rulemaking docket to determine what security, if any, should be required of prepaid local telecommunications providers as requested by ORS.

PRESIDING	<u>Hamilton</u>				Session:	Regular
	MOTION	YES	NO	OTHER	Time of Session	<u>2:30 PM</u>
CLYBURN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		APPROVED	_____
FLEMING	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		APPROVED STC 30 DAYS	_____
HAMILTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		ACCEPTED FOR FILING	_____
HOWARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		DENIED	_____
MITCHELL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		AMENDED	_____
MOSELEY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		TRANSFERRED	_____
WRIGHT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		SUSPENDED	_____
					CANCELED	_____
					SET FOR HEARING	_____
					ADVISED	_____
					CARRIED OVER	_____
					RECORDED BY	<u>J. Schmieding</u>